

edged. There are several good reasons that argue against such an approach, including the possibility of difficulty with a foreign government by virtue of acknowledged CIA interest in its internal affairs; the possibility that acknowledged CIA interest in a specific subject—such as the financial stability of a particular country—could affect the situation itself; and, finally, concern that readers might assume the scholar's conclusions were, in fact, CIA's.

As a result of the controversy here at Harvard and expressions of concern about this policy, we reexamined this issue with considerable care. In the first place, there are certain circumstances under which disclosure of our funding of research may be required, and we of course comply. Beyond this, we have decided that our interest in obtaining the cooperation of this country's scholars and allaying the misunderstandings and suspicions that have grown out of our earlier approach warrants at least some change in our policy. Accordingly, CIA will henceforth permit acknowledgement of our funding of research that is later independently published by a scholar unless (1) the scholar requests privacy or (2) we determine that formal, public association of CIA with a specific topic or subject would prove damaging to the United States. Any acknowledgement of CIA funding would be accompanied by a statement to the effect that the views expressed are those of the author and do not necessarily reflect the views of CIA or of the US government. I assume, of course, that universities also will press hard for public disclosure of other sources of funding for research.

Fourth, we expect any scholar or individual who consults or works with us to abide fully by the rules of his or her home institution in terms of reporting the relationship with us. But, in our view, it is, in the first instance, the responsibility of the institution to set such rules and to enforce them, and the responsibility of the scholar to comply.

#### CONCLUSIONS

The world is increasingly complex. The challenges to the security and well being of the American people are increasingly diverse and subtle. Director Casey and I, and others in the Executive Branch and our Congressional oversight committees believe that contacts with universities and others in the private sector are imperative if we are properly and effectively to carry out our mission of informing, improving understanding, and warning the government about developments around the world—the same mission identified by General Donovan and President Roosevelt. Our ability to carry out our mission, as in the days of Langer and Donovan, depends on voluntary cooperation between those of us who carry this responsibility in intelligence, and those in the university, business, retired military, and others who can help us understand these challenges better and forecast them more accurately. Our country is the ultimate beneficiary.

Consultation and cooperation with CIA on the problems this nation faces abroad do not threaten academic freedom. However, I believe that freedom of inquiry is limited, a desire to render public service sometimes tragically thwarted, and our nation disadvantaged, by those who would deny a scholar's willingness to work with the American intelligence service in assessing the world around us.

The government cannot coerce any scholar to cooperate or work with the Department of Defense, Department of State, or CIA. By the same token, no scholar should be prevented by academic institutions or colleagues from doing so. And none should

have to worry that his or her reputation will suffer because of a public-spirited, patriotic willingness to help us better understand and forecast developments abroad affecting our national well-being and the forces that threaten our freedom.

#### BUILT FOR THE PEOPLE: FIFTY YEARS OF TVA ARCHITECTURE

● Mr. GORE. Mr. President, last night I had the opportunity to attend the opening of an exhibit at the National Building Museum entitled "Built for the People: Fifty Years of TVA Architecture." I recommend the splendid exhibit to my colleagues.

As one who grew up in TVA country, I am especially pleased to see the legacy of TVA gain national recognition. It is a fitting tribute to commemorate TVA in the National Building Museum, for the Tennessee Valley Authority has served a region but inspired an entire nation. We are glad for the opportunity to share our pride in TVA's remarkable accomplishments.

We don't think too much about public architecture any more. In fact, we often take it for granted. Rarely do we recognize its place in history and in our hearts. But we owe it to our parents, ourselves, and future generations to look back at what TVA has built.

The Tennessee Valley Authority arrived at a critical time in our history—as time when the American people were looking for symbols to boost them out of despair. For millions, TVA was that symbol. The day they turned on the lights was the day that folks put the darkness of the depression behind them.

Those who designed the TVA system understood America's need for symbolic architecture. Like so much of the New Deal, from the CCC to the WPA, its creations showed us the potential of public and private cooperation. They endure as a testament to progressive ideals and to progress.

I commend the efforts of the National Endowment for the Arts, the National Building Museum, and TVA itself for helping to make the exhibit possible. Washington and its many visitors are fortunate to get a glimpse of our Nation's finest public works.

The Tennessee Valley Authority was indeed "built for the people." As the program that brought power to the people, it has always stood for something still larger than its greatest dams. Mr. President, look around the exhibit, and you will see monuments not just to what man can do, but to what people can do for one another.

#### BALANCED BUDGET CONSTITUTIONAL AMENDMENT—UNANIMOUS-CONSENT AGREEMENT

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that the joint resolution be advanced to third reading immediately following the disposi-

tion of amendment No. 1652, as amended.

I ask unanimous consent that the vote occur on adoption of Senate Joint Resolution 225, at 6 p.m., on Tuesday, March 25, and that paragraph 4 of rule XII, be waived.

I also ask unanimous consent that a colloquy be placed in the Record to be prepared by Senators HATCH, THURMOND, DECONCINI, SIMON, METZGER, MELCHER, and HEFLIN, no later than Friday, March 21, that would discuss the definitions of several items, and that in the event the Senators named above cannot agree on a colloquy, the Senator from Alabama [Mr. HEFLIN] be recognized at 2 p.m., on Tuesday, March 25, to offer a technical amendment on behalf of himself and Senator MELCHER, which would add to the joint resolution a definition section, and that the Heflin amendment be limited to 2 hours, to be equally divided in the usual form.

I further ask unanimous consent that no amendments be in order to the Heflin amendment, and that the agreement be in the usual form.

Further, I ask unanimous consent that following disposition of the Heflin amendment, if offered, or at 2 p.m., on Tuesday, March 25, if the Heflin amendment is not offered, the Senate begin the debate on Senate Joint Resolution 225, to be equally divided and controlled by the majority and minority leaders, or their designees.

Mr. BYRD. Mr. President, reserving the right to object, I discussed this matter in my conference today as I had assured the distinguished majority leader and the distinguished President pro tempore that I would. I found no objections and in the follow-up on the cloakroom lines I found no objections.

So I am happy to say I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I request the yeas and nays on the joint resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, I also inform all Senators that any Senator interested in the colloquy, please contact the Senators' offices as just itemized. The colloquy will be prepared beginning Wednesday, March 19, 1986. Therefore, any suggestions that any Senator may have must be in prior to Wednesday.

#### DEFICIT DEDUCTION AND PROGRAM IMPROVEMENT

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask that the Chair lay before the Senate a message from the House of

ing to places of interest or participating in events of interest abroad.

A principal factor in our pursuit of contact with scholars is our perception that quality analysis on the incredible range of issues with which we must cope requires not only dogged research but also imagination, creativity, and insight. Large organizations, and particularly government bureaucracies, are not famous for their encouragement of these characteristics—although there is surprisingly more than you might think. Similarly, to rely solely on information funneled through government channels inevitably would constrict the range of views and information needed. We are looking for people to challenge our views, to argue with us, to criticize our assessments constructively, to make us think and defend and to go back to the drawing board when we have missed something important. In short, we don't want scholars to tell us what they think we want to hear. That would make our entire effort pointless.

Finally, this relationship is not necessarily a one-way street. Just as we are conscious of our need for the injection of ideas and information from outside government channels, I believe you should concede that there is at least the possibility that you might learn something from discussions with us.

#### YOUR CONCERNS

Let me now address some of the major concerns that have been raised by scholars, deans, and institutions about dealing with us. I would note that certain of these concerns reach well beyond just CIA and involve the entire question of relations between outside sources of funds and the university community.

1. Doesn't research or analysis under CIA auspices of events abroad inevitably compromise academic freedom and the honesty of academic research?

First of all, when we contract for research, we insist on honest work. We do not permit our analysts to cook the books and we would never consult or contract with a scholar a second time who did that. Our research and analysis must stand up to close scrutiny, not only by other intelligence agencies, but by other elements of the executive branch, the oversight committees of the Congress, the Congress as a whole, the President's Foreign Intelligence Advisory Board, and a variety of other panels and organizations that have access to our information. While we acknowledge we can be and have been wrong in the past, our very existence depends on our reputation for integrity and for reliable and objective assessments. Any research we use should have the same qualities.

Second, it seems to me that academic freedom depends on a scholar not being beholden to any outside influence or rigid ideological conceptions but only to the pursuit of truth. The scholar should be free to search where he or she wishes and should not be constrained by any improper influences, including the preferences of colleagues or prevailing cultural winds. Actually, improper influence potentially can be exerted on a scholar in a number of ways: funding from contracts and consultantships with business, foundations and foreign governments—or even the threat of withholding tenure. American academics have long consulted with officials of foreign governments of all stripes. In light of this, singling out a US government agency as a particular threat to honest inquiry represents a double standard if not outright hypocrisy. If a university requires public exposure of any relationship with CIA, then surely logic and equity require a similar practice for relationships with foreign governments and, in fact, all other outside relationships. And, indeed, if

our funding should be openly acknowledged, should not all outside funding, of whatever source, be openly acknowledged? You are rightly proud of your ability to do objective research. CIA does not threaten it.

Third, I agree with the proposition that it is the responsibility of the university itself to establish and monitor the rules governing all these relationships. It is both foolish and irresponsible to do so by isolating the scholar from any outside contact under the guise of protecting academic freedom.

2. Won't publicly acknowledged contacts with CIA hinder a scholar's access and freedom of inquiry overseas? I acknowledge this might be a problem for some individuals. Indeed, in some places around the world, all Americans are suspected of working for CIA. However, many who have worked with us for years have not had any difficulty.

3. Can't a colleague's contacts even with CIA analysts compromise an entire department? I have been asked before about the danger of one scholar's association with us involving his or her faculty colleagues through some sort of guilt by association. I would simply offer two observations. First, the university community is a remarkably diverse one and I am sure that in many departments there are scholars who are involved in some sort of activity with which their colleagues disagree or which they do not support. So again, this problem is not limited just to CIA. Some form of reporting to the university on such relationships that could be kept confidential would seem to me an appropriate way to minimize this problem. My second observation, however, is that at some point some courage is called for. The freedom of those who do wish to consult with us can be infringed upon by the fears of their colleagues. We do not believe that working with your government to help bring about better informed policy is shameful; indeed it should be a source of pride and satisfaction. Contributing to a better understanding of some of the most difficult and occasionally dangerous problems of the world, in my view, is responsive to the scholar's highest calling.

4. Isn't prepublication review tantamount to CIA censorship of independent ideas, opinions and judgments? No. Our review is only to ensure that no classified information is included in a book or article and that the text does not reveal intelligence sources and methods. We have no interest in altering the substance or conclusions of writings we review and take great care to avoid asking for such changes. And the fact is: we don't. Where a consultant has no access to classified information, there is no prepublication review.

5. What about the view that CIA engages in covert action as well as collection and analysis and a variety of "immoral" acts and therefore association with any part of CIA is unacceptable? Activities at CIA are carried out within the law with the approval of appropriate authorities, and with the oversight of the Congress. They are activities mandated by the decisions of elected officials in both the Executive and Legislative branches. As we have seen recently Congress can and does deny funds for legal intelligence activities with which they disagree, thereby terminating such activities.

The Central Intelligence Agency is a foreign policy instrument of the elected representatives of the American people, just like the military, USIA or the Department of State. If you find some element of the government's foreign policy or activity inconsistent with your professional judgment, I would encourage you first to do all you can to test the validity of your position. You also can decline to have any association with us at all. But in the latter case, the de-

cision whether to associate with us should be left to the individual. One individual's freedom of association should not be denied because of another's personal point of view. A university steps on precarious ground and itself endangers academic freedom if it starts making arbitrary rules about which organizations a scholar may participate in or talk with—and, I would add, especially if one of those organizations is a branch of our society's own democratically chosen government.

#### OUR RULES

Before I close, let me review the rules and policies of the analytical arm of CIA for dealing with the university community. We continually review our regulations and policies in the light of new opportunities, new problems and new issues. For example, well before the recent controversy here at Harvard, we revised our contract language with respect to prepublication review, narrowing that review—which again, is simply to avoid the compromise of classified information—to the specific subject area in which a scholar had access to classified information. For example, if a scholar consults with us about nuclear proliferation and has access to classified information, writings on unrelated subjects need not be submitted.

We have again looked at our rules and policies as a result of the controversy here at Harvard, and this too has produced some modifications. For example, the Directorate of Intelligence now explicitly tells any organization or individual organizing a conference on our behalf that the participants in the conference should be informed in advance of our sponsoring role. Quite frankly, because we organize the overwhelming majority of our conferences ourselves, this problem had not arisen before.

Let me review three key policies of particular interest to the university community:

First, while the Directorate of Intelligence presently has no contracts for classified research at any academic institution, we can and will let contracts for classified research where university rules permit, where appropriate facilities and circumstances allow, and when a genuine need exists.

Second, when we contract for unclassified research, we spell out explicitly for the scholar the conditions governing use of that research. In some cases, the research will be done strictly for us, and we will be the only recipient. In other cases once we have received the research and assured ourselves that the terms of the contract have been carried out, we will acquiesce in a scholar's request to publish a book or article drawing on that research. We do not commission or contract for books or articles. We are realistic about pressures on scholars to publish, however, and, in order to attract some of the best people to work with us, we try to accommodate their desire to draw on unclassified research they have done for us for publication for their own purposes. And, finally, there are cases where we allow research done for us later to be published under the scholar's name without any prepublication review on our part.

But in any of these circumstances, our review is simply to ensure that the work we contracted to be done has been done, meets appropriate standards of quality and does not contain classified information. Taxpayers justifiably would be displeased if we were not to ensure that we had received true value for their money.

Third, we also have looked again at the question of whether our funding of research that is subsequently used in a publication by a scholar should be openly acknowl-

Representatives on H.R. 3128, the reconciliation bill.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House recede from its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) entitled "An Act to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process", and concur therein with the following amendment:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"(B) be headed by a director who shall—  
 "(i) be appointed by the Administrator,  
 "(ii) serve as the Chair of the Board, and  
 "(iii) be the spokesperson for the program";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "or subdivision thereof" and insert "or subdivision thereof," in paragraph (2).

In section 8003, amend the first sentence of the proposed section 8(g)(2) of the Outer Continental Shelf Lands Act to read as follows: "Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, derived from any lease issued after September 18, 1978, of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary of any coastal State."

In section 8004(a), strike out "January 1, 1986" and insert in lieu thereof "April 15, 1986".

In section 8006(a), insert "issued after September 18, 1978" after "any Federal leases".

In section 8006(a)(1), insert "issued after September 18, 1978" after "derived from any lease".

Amend section 8201 by striking out the close quote and period at the end and inserting in lieu thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of this subsection, a lessee may petition the Secretary for a waiver of the requirements of this subsection.

"(B) The Secretary shall assign an Administrative Law Judge to conduct a hearing on the record on the petition and make a finding for the Secretary.

"(C) The Administrative Law Judge shall recommend to the Secretary that the Secretary grant such waiver if the Administrative Law Judge finds that the lessee's exploration or development and production plan cannot be carried out solely because of the additional costs that would be incurred as a result of the requirements of this subsection.

"(D) If the Secretary receives the recommendation from the Administrative Law Judge provided in paragraph (C), the Secretary may grant the waiver if the Secretary concurs with the finding of the Administrative Law Judge."

In subtitle A of title IX, strike out sections 9303, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (c)(1)(B), (c)(2)(B), (c)(2)(C), and (c)(3)(C), strike out "1 percent" and insert in lieu thereof "% percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "%," and insert in lieu thereof "%."

In section 9102—

(1) in subsection (d)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(2) in subsection (d)(3), strike out "March" and insert in lieu thereof "May".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (c) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "3-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively; and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "3-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(1)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

"(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

"(B) In the case of a health insuring organization—

"(i) which first becomes operational on or after January 1, 1986, but

"(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act, clauses (i) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective."

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed";

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions)."

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XLX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982."

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements."

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

**"PART 1—TRADE ADJUSTMENT ASSISTANCE"**

**"SEC. 13001. SHORT TITLE."**

"This part may be cited as the 'Trade Adjustment Assistance Reform and Extension Act of 1986'."

**"SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE."**

"(a) **WORKERS.**—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting 'including workers in any agricultural firm or subdivision of an agricultural firm' after 'group of workers'."

**"(b) FIRMS:—"**

"(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting '(including any agricultural firm)' after 'a firm'."

"(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and'."

**"SEC. 13003. CASH ASSISTANCE FOR WORKERS."**

**"(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—"**

"(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c)."

"(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c)."

"(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

"(A) by striking out 'training,' in clause (2) and inserting in lieu thereof 'training and job search programs,' and

"(B) by striking out 'and (3)' and inserting in lieu thereof '(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)'."

"(b) **QUALIFYING WEEKS OF EMPLOYMENT.**—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof 'shall be treated as a week of employment at wages of \$30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.'"

"(c) **WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.**—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

"(1) by striking out 'under any Federal law,' in subsection (c) and inserting in lieu thereof 'under any Federal law other than this Act,'"

"(2) by striking out 'under section 236(c)' in subsection (c), and inserting in lieu thereof 'under section 231(c) or 236(c),' and

"(3) by striking out 'If the training allowance' in subsection (c) and inserting in lieu thereof 'If such training allowance'."

**"(d) LIMITATIONS.—"**

"(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out '52-week period' and inserting in lieu thereof '104-week period'."

"(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training."

**"SEC. 13004. JOB TRAINING FOR WORKERS."**

"(a) **IN GENERAL.**—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

"(1) by striking out 'for a worker' in subsection (a)(1)(A) and inserting in lieu thereof 'for an adversely affected worker,'"

"(2) by striking out 'may approve' in the first sentence of subsection (a)(1) and inserting in lieu thereof 'shall (to the extent appropriated funds are available) approve,'"

"(3) by striking out 'under paragraph (1)' in subsection (a)(2) and inserting in lieu thereof 'under subsection (a),'"

"(4) by striking out 'this subsection' in subsection (a)(3) and inserting in lieu thereof 'this section,'"

"(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

"(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1)."

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law."

"(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of

such costs have already been paid under such other provision of Federal law."

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker."

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 102 of such Act, and

"(D) any other training program approved by the Secretary," and

"(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1)."

"(b) **ON-THE-JOB TRAINING DEFINED.**—Section 247 of the Trade Act of 1974 (19 U.S.C.

2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term 'on-the-job training' means training provided by an employer to an individual who is employed by the employer."

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

"(1) by amending subsection (a)(2) by inserting 'but in accordance with subsection (f),' after 'where appropriate,' and

"(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker."

#### "SEC. 1306. JOB SEARCH ALLOWANCES.

"(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary."

"(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club."

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings."

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs."

#### "SEC. 1306. ADJUSTMENT ASSISTANCE FOR FIRMS.

"(a) TECHNICAL ASSISTANCE.—

"(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development."

"(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

"(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out 'such cost' and inserting in lieu thereof 'such cost for assistance described in paragraph (2) or (3) of subsection (a)'."

"(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by striking out at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986."

#### "SEC. 1307. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

"(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

"(1) by striking out the first sentence thereof and inserting in lieu thereof '(a)',

"(2) by striking out the section heading and inserting in lieu thereof 'SEC. 285. TERMINATION,' and

"(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991."

"(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination."

#### "SEC. 1308. AUTHORIZATION OF APPROPRIATIONS.

"(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out '1982 through 1985' and inserting in lieu thereof '1986, 1987, 1988, 1989, 1990, and 1991'."

"(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

"(1) by inserting 'for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991' after 'to the Secretary',

"(2) by striking out 'from time to time', and

"(3) by striking out the last sentence thereof."

#### "SEC. 1309. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

"(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act."

"(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act."

"(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985."

"(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-de-

fense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986."

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

"(c) EFFECTIVE DATE.—

"(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986."

"(2) TRANSITIONAL RULE.—Any person who—

"(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

"(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52."

Strike out subsection (c) of section 13203 and insert the following:

"(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) REDUCTION IN AMOUNT OF TAX.—

"(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"(A) by substituting '\$.56' for '\$1.10',

"(B) by substituting '\$.25' for '\$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986."

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954."

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following: "In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income."

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984."

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs."

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:



"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and,"

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

#### AMENDMENT NO. 1673

Mr. SIMPSON. Mr. President, I move that the Senate concur in the House amendment with a further amendment, which I send to the desk on behalf of Senators DOMENICI, PACKWOOD, and MCCLURE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], on behalf of Mr. DOMENICI, Mr. PACKWOOD, and Mr. MCCLURE, proposes an amendment numbered 1673.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

In section 4018, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such."

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 8021, strike out "from such nations."

In title VI, strike out subtitle D and redesignate subtitles E, F, G, H, I, and J as subtitles D, E, F, G, H, and I, respectively.

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 8044, strike out "environmental" and insert "environment."

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"(B) be headed by a director who shall—  
 "(i) be appointed by the Administrator,  
 "(ii) serve as the Chair of the Board, and  
 "(iii) be the spokesperson for the program;"

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) Insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "or subdivision thereof" and insert "or subdivision thereof," in paragraph (2).

In title VIII, strike out the heading for subtitle A.

In section 8001, strike out "subtitle" and insert in lieu thereof "title".

In section 8(g) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out paragraph (2) and insert in lieu thereof the following:

"(2) Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly (or, in the case of Alaska, partially until seven years from the date of settlement of any boundary dispute that is the subject of an agreement under section 7 of this Act entered into prior to January 1, 1986 or until April 15, 1993 with respect to any other tract) within three nautical miles of the seaward boundary of any coastal State, or, (except as provided above for Alaska) in the case where a Federal tract lies partially within three nautical miles of the seaward boundary, as percentage of bonuses, rents, royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of such tract equal to the percentage of surface acreage of the tract that lies within such three nautical miles. Except as provided in paragraph (5) of this subsection, not later than the last business day of the month following the month in which those revenues are deposited in the Treasury, the Secretary shall transmit to such coastal State 27 percent of those revenues, together with all accrued interest thereon. The remaining balance of such revenues shall be transmitted simultaneously to the miscellaneous receipts account of the Treasury of the United States.

In section 8(g)(5) of the Outer Continental Shelf Lands Act, as proposed to be amended by section 8003, strike out subparagraph (A) and insert in lieu thereof the following:

"(5)(A) When there is a boundary dispute between the United States and a State which is subject to an agreement under section 7 of this Act, the Secretary shall credit to the account established pursuant to such agreement all bonuses, rents, and royalties, and other revenues (derived from any bid-

ding system authorized under subsection (a)(1)), excluding Federal income and windfall profits taxes, and derived from any lease issued after September 18, 1978 of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary asserted by the State, if that money has not otherwise been deposited in such account. Proceeds of such account shall be distributed as follows:

"Upon the settlement of any boundary dispute which is subject to a section 7 agreement between the United States and a State, the Secretary shall pay to such State all monies due such State from amounts deposited in the escrow account. If there is insufficient money deposited in the escrow account, the Secretary shall transmit, from any revenues derived from any lease of Federal lands under this Act, the remaining balance due such State in accordance with the formula set forth in section 8004(b)(1)(B) of the Outer Continental Shelf Lands Act Amendments of 1985."

Strike out section 8004 and insert in lieu thereof the following:

#### SEC. 8004. DISTRIBUTION OF SECTION 8(g) ACCOUNT.

(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

(1) the amounts due and payable to each State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title, for the period between October 1, 1985, and the date of such distribution; and

(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

(A) from the funds which were deposited in the separate account in the Treasury of the United States under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title the following sums:

	Million
Louisiana.....	\$572
Texas.....	382
California.....	338
Alabama.....	66
Alaska.....	51
Mississippi.....	14
Florida.....	0.03

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985, in the separate account described in this paragraph and interest thereon accrued through September 30, 1985 and shall transmit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

(B) from revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended, prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act, 7 percent of such sums in each of the next five fiscal years, and 10 percent of such sums in each of the following five fiscal years:

	Million
Louisiana.....	\$84
Texas.....	134
California.....	289

Alabama .....	Million	7
Alaska .....		134
Mississippi .....		2

(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act, as it was in effect prior to the date of enactment of this act and shall vest in such State the right to receive payments as set forth in this section.

Strike out section 8006.

Strike out subtitles B and C of title VIII.

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(C), strike out "1 percent" and insert in lieu thereof "4 percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "1/2" and insert in lieu thereof "1/4".

In section 9102(d)—

(1) strike out "5 months" in paragraph (2)(B)(i) and insert in lieu thereof "7 months";

(2) strike out "7 months" in paragraph (2)(B)(ii) and insert in lieu thereof "5 months";

(3) strike out "March" in paragraph (3) and insert in lieu thereof "May"; and

(4) add at the end thereof the following:

(4) Exception.—

(A) Notwithstanding any other provision of this subsection, the amendments made by this section shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act) located in the State of Oregon.

(B) Notwithstanding any other provision of law, for a cost reporting period beginning during fiscal year 1985 of a subsection (d) hospital to which the amendments made by this section do not apply, for purposes of section 1886(d)(1)(A) of the Social Security Act—

(i) during the first 7 months of the period the "target percentage" is 50 percent and the "DRG percentage" is 50 percent, and

(ii) during the remaining 5 months of the period the "target percentage" is 25 percent and the "DRG percentage" is 75 percent.

(C) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act, the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendments made by this section do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate for such discharges.

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e) strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 1886(h)(4)(B) of the Social Security Act, which is proposed to be added by section 9202(a)—

(1) strike out "before July 1, 1986" in clause (i)(I),

(2) strike out "the individual is unable to take that examination because" in clause (i)(II), and

(3) insert "or a previous examination of the Educational Commission for Foreign Medical Graduates" in clause (ii)(II) after "FMGEMS examination".

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "6-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in that matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(1)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively.

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b), strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

(B) In the case of a health insuring organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act,

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a), strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) in subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed";

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medical eligibility for certain recipients of Veterans' Administration pensions).

In subtitle C of title XII, strike out section 12302.

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

#### PART 1—TRADE ADJUSTMENT ASSISTANCE

##### SEC. 1301. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

##### SEC. 1302. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) **WORKERS.**—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or subdivision of an agricultural firm)" after "group of workers".

(b) **FIRMS.**—

(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are

each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

#### SEC. 1304. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c)."

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c)."

(3) subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of \$30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence."

(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) or 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) LIMITATIONS.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training."

#### SEC. 1304. JOB TRAINING FOR WORKERS.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1)."

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 102 of such Act, and

"(D) any other training program approved by the Secretary," and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker

(including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1)."

(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term on-the-job training means training provided by an employer to an individual who is employed by the employer."

(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview



the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker."

#### SEC. 13006. JOB SEARCH ALLOWANCES.

(a) **IN GENERAL.**—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary."

(b) **DEFINITIONS.**—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club."

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings."

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs."

#### SEC. 13008. ADJUSTMENT ASSISTANCE FOR FIRMS.

##### (a) TECHNICAL ASSISTANCE.

(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development."

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof "such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) **NO NEW LOANS OR GUARANTEES.**—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986."

#### SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) **IN GENERAL.**—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2,

and no technical assistance may be provided under chapter 3, after September 30, 1991."

(b) **CONFORMING AMENDMENT.**—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination."

#### SEC. 13009. AUTHORIZATION OF APPROPRIATIONS.

(a) **WORKERS.**—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) **FIRMS.**—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

#### SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) **IN GENERAL.**—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) **JOB SEARCH PROGRAM REQUIREMENTS.**—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) **EXTENSION AND AUTHORIZATION.**—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) **APPLICATION OF GRAMM-RUDMAN.**—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

In section 13031(e)(2)—

(1) strike out "section 236(c)" and insert in lieu thereof "section 236", and

(2) strike out "58b(c)" and insert in lieu thereof "58b".

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

In section 13201—

(1) strike out "Subsection (c)" and insert in lieu thereof "(a) Subsection (c)", and

(2) add at the end thereof the following new subsection:

(b) For purposes of all Federal and State laws, the amendment made by subsection (a) shall be treated as having taken effect on March 14, 1986.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) **TRANSITIONAL RULE.**—Any person who—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business.

may, notwithstanding such subchapter B, continue to engage in such business pending

final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.

Strike out subsection (c) of section 13203 and insert the following:

(c) **EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.**—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) **REDUCTION IN AMOUNT OF TAX.**—

"(1) **IN GENERAL.**—Effective with respect to sales after the temporary increase termination date, subsection

(b) shall be applied—

"(A) by substituting '\$.50' for '\$1.10',

"(B) by substituting '\$.25' for '\$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following:

In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and"

In clause (vi) of section 57(a)(9)(E) of the International Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 14001(a)(4), strike out "March 1, 1986" and insert in lieu thereof "June 2, 1986".

In section 15202, strike out subsection (b) and redesignate subsection (c) as subsection (b).

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places in appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(B)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

#### EXTENDING MORNING BUSINESS UNTIL 10:30 P.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that morning business be extended until 10:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ORDER TO HOLD HOUSE JOINT RESOLUTION 563 AT THE DESK

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that House Joint Resolution 563, dealing with housing extension, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### OLDER AMERICANS ACT AMENDMENTS OF 1986—CONFERENCE REPORT

Mr. SIMPSON. Mr. President, I submit a report of the committee of conference on H.R. 2453 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2453) to amend the Older Americans Act of 1966 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of March 10, 1986.)

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### REMOVAL OF INJUNCTION OF SECRECY

Mr. SIMPSON. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from a Tax Convention with Tunisia—Treaty Document No. 99-13—which was transmitted to the Senate today by the President of the United States.

I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

*To the Senate of the United States:*

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of the Tunisian Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (referred to hereafter as "the Convention"), together with a related exchange of notes, signed at Washington on June 17, 1985. I also transmit the report of the Department of State on the Convention.

The Convention is the first income tax treaty to be negotiated between the United States and Tunisia. It is based on model income tax treaties developed by the Department of the Treasury, the Organization for Economic Cooperation and Development, and the United Nations. It deviates in some respects from the models to reflect Tunisia's status as a developing country and an importer of capital.

The Convention provides rules with respect to the taxation of various types of income, such as business profits, personal service income, and investment income. It also contains standard provisions guaranteeing a foreign tax credit, ensuring nondiscriminatory tax treatment, and providing for exchanges of information and administrative cooperation to avoid double taxation and prevent tax evasion.

I recommend that the Senate give early and favorable consideration to the Convention, together with the related exchange of notes, and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, March 13, 1986.

#### ORDERS FOR FRIDAY

RECESS UNTIL 9:30 A.M.

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Friday, March 14, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, following the recognition of the two leaders under the standing order, I ask unanimous consent that the following Senators be recognized for special orders for not to exceed 5 minutes each: Senator HAWKINS, Senator PROXMIRE, and Senator BAUCUS.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PROGRAM

Mr. SIMPSON. At the conclusion of routine morning business, the Senate will resume consideration of the House message to accompany H.R. 3128, budget reconciliation.

The Senate could also be asked to turn to any of the following items:

S. 1567, water resources bill; Fitzwater nomination to be U.S. district judge; or, any other Legislative or Executive Calendar items cleared for action.

As the majority leader has indicated, rollcall votes can be expected throughout Friday's session.

Mr. President, does the Democratic leader have any further business?

Mr. BYRD. I have a question.

Does the distinguished assistant Republican leader foresee rollcall votes into the midafternoon, or early afternoon, or late afternoon tomorrow?

Mr. SIMPSON. Mr. President, the foreseeing capabilities of the assistant majority leader are cloudy at this point in the evening. But I can say that I believe that late afternoon votes will not be the prospect. I would think perhaps 3 in the afternoon, or around that time, but I cannot assure my colleague of that.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader.

Mr. SIMPSON. Mr. President, I think, obviously, the minority leader knows that it does depend a bit on the progress that we make. I hope we can